

## Comments to the Council on Environmental Quality, Energy Streamlining Task Force

Name of Project: Various oil and gas wellsites in the state of Wyoming

Entity Proposing the Project: Flying J Oil & Gas Inc., an independent oil and gas exploration and production company based in North Salt Lake, Utah

Category of the Project: Oil and gas wells and associated production facilities

Brief description of the Project: Before a new oil or gas well can be drilled on lands with Federal or Indian surface and/or mineral rights, a series of permitting procedures must be followed (examples include Notice of Staking, Application for Permit to Drill, On-site Inspection). Further, various environmental permitting procedures must be followed before a well is allowed to begin production.

Agencies from which approval is required: Bureau of Land Management and Wyoming Department of Environmental Quality, Air Quality Division.

The task force needs to be aware of the difficulties often faced by oil and gas exploration and production companies when forced to comply with unrealistic permitting requirements imposed upon them by certain state and federal agencies. The following comments provide examples of permitting difficulties that exist in the state of Wyoming.

When a new Application for Permit to Drill (APD) an oil or gas well is received by the BLM in Wyoming, it undergoes a rigorous review process involving the BLM Administrator, Wildlife, Archaeology, and Engineering departments. The approval process is often delayed due to internal BLM priority shifting in which, for example, the Archaeologist is reassigned to another project before completing the APD review. Compounding this problem is the fact that certain BLM districts in Wyoming are grossly understaffed for the amount of permitting activity which exists in the corresponding geographic area. As a result, a new APD can often take several weeks or months to receive final approval. Conversely, due to decreased activity levels in other geographic areas, certain BLM districts are more than adequately staffed to handle the level of permitting required.

The task force also needs to be aware of the difficulties often faced by oil and gas exploration and production companies during the APD approval process involving a wellsite with federal-owned mineral rights that exists on private land. In these situations, the BLM can "override" the surface landowner's requirements and impose more stringent and unnecessary surface use regulations upon oil and gas companies.

The task force also needs to investigate the applicability of stringent state of Wyoming oil and gas production air quality regulations that are more suited to a highly-populated state such as California. The task force needs to become involved in an investigation which will determine whether the increasingly stringent Wyoming oil and gas air quality regulations are in fact necessary to protect the ambient air quality of the state. The increasingly stringent Wyoming regulations effectively place undue economic and time restrictions upon the oil and gas industry, an industry which places a high priority on environmental conservation, by requiring expensive emission control equipment installation at minor production facilities in order to achieve what may be an unnecessarily excessive level of air quality control.

In order for the task force to ensure that the BLM in Wyoming adopt a more streamlined APD approval process, a suggested review of current staffing policies must be investigated. Through increased hiring where necessary and coordination of current BLM personnel to provide even temporary permitting support in high-activity areas, permitting can be accomplished more expeditiously.

The task force must also examine the nature of BLM involvement when federal mineral rights are involved in a wellsite on private land to determine how best to respect the requirements of the landowner without burdening the oil and gas producer with additional surface use regulations.

The task force must thoroughly investigate both current and proposed Wyoming Department of Environmental Quality air quality requirements upon minor oil and gas production facilities. The regulations must be closely examined with respect to actual environmental air quality data for the state of Wyoming to determine whether current and proposed increased levels of regulation are indeed necessary to maintain public health and environmental protection in Wyoming.